Chapter 5

THE AGONIES OF LIBERALISM: WALLERSTEIN ON THE RISE AND FALL OF LIBERAL IDEOLOGY

Paul Voice

Immanuel Wallerstein's grand and sweeping narrative of the modern condition hinges on a central and seemingly slippery, deceptive and allegedly criminal character: namely, liberalism. Indeed, liberalism is the "cement" that, he says, binds the modern world order. It gives it its unity and orchestrates its evolution and development. From its beginnings as an ideological response to the French Revolution in 1789 to its apotheosis in the global hegemony of the United States after the Second World War, to its dissolution in the collapse of Soviet communism, liberalism is the analytical thread that animates Wallerstein's world-systems analysis (WSA). This chapter aims to explicate and engage with his account of modernity and to focus specifically on the role he assigns to liberalism. I focus on three texts in which Wallerstein sets out his account of liberalism and his detailed critique of its role in the globalization of capitalism—the fourth volume of his monumental series *The Modern World-System* (*Centrist Liberalism Triumphant, 1789–1914*), *After Liberalism* and *World-Systems Analysis: An Introduction*.

It is essential to first briefly set out the idea of WSA, which is the theoretical architecture that supports the narrative of modernity in which liberalism plays such a prominent role. With this background in hand, I will turn to a close examination of liberalism as ideology, emphasizing the very particular and specific meanings Wallerstein assigns to these crucial terms. However, this task cannot be achieved simply by a conceptual analysis of these ideas since it is crucial to the very idea of WSA that such ideas are embedded in their particular historical contexts. Liberalism is the dominant and dominating ideology beginning in the aftermath of 1789, but since its meaning is thoroughly embedded in time and space, its existence and effects have not only a location first in Western Europe and the world as a whole, but also

a time—a beginning and an end. The third section examines Wallerstein's surprising and contrary claim that rather than representing the final victory of liberalism, the dismantling of the Berlin Wall signaled the final defeat of liberalism as a world-dominating ideology. The fourth section briefly canvasses Wallerstein's sometimes prescient predictions and guesses at what lies beyond liberalism. The final section offers a brief reflection on Wallerstein's account of liberalism.

WSA

It is not easy to describe in a few sentences what Wallerstein means by WSA. We can, however, pick out some major ideas relevant to our discussion of liberalism. This approach to understanding the human condition is both historical and structural. It understands events as being situated not only in particular times and places but also as part of a system. This system is a world composed of world-economies and world-empires. A "world" is not necessarily the globe but rather a "spatial/temporal zone which cuts across many political and cultural units, one that represents an integrated zone of activity and institutions which obey certain systemic rules" (Wallerstein 2004, 1). As we will see below, liberal ideology will come to constitute such a zone that does in fact stretch beyond its initial historical home in Western Europe to encompass the globe.

The relevant point of contrast to WSA is a focus on the state as the proper unit of political and economic analysis. Instead of this more traditional approach, Wallerstein sees the state as a part of, and itself constituted by, political, social and economic forces that extend further than a state's geographical location, and deeper than the decisions made by those who control a particular state. Perhaps the most influential conceptual advance made by Wallerstein is the distinction between core and periphery (and semiperiphery) zones and states, and how these function together as part of a capitalist world-economy that directs surplus value from the periphery to the core, and has maintained the political and social hegemony of liberal states. According to Wallerstein, the distinction between core and periphery lies in the nature of the division of labor and the production processes that are both aimed at generating an unequal exchange in favor of the core states.

Given this systemic approach it is unsurprising that Wallerstein is suspicious of the traditional divisions within the social sciences that separate what is to be explained into sealed off epistemological categories. A system, Wallerstein urges, can only be revealed and understood by breaching the barriers between disciplines and so taking states, their interstate relations, firms, households, classes and identity groups, as together requiring

analysis to reveal their many and complex connections. Therefore, the scope of Wallerstein's enterprise is broad and the narrative he offers is grand. As will be noticed in the following account, liberalism, for Wallerstein, is more than a set of ideas—it is at the center of a worldwide state and economic system that has structured the political, social and economic horizon for more than two hundred years. He thinks that now, in the early part of the twenty-first century, we can start to see beyond this horizon to an initially chaotic but potentially more democratic and decidedly non-liberal future. However, to appreciate why, for Wallerstein, dusk is settling on the era of liberalism's dominance, we first must understand what liberalism is and how it functions as part of a world-system.

Liberalism as Ideology

It is essential to first unpack what Wallerstein means by ideology since his account of liberalism and its historical and analytical role in modernity rests on his specific rendering of this term. To say that liberalism is an ideology is not an epistemological argument grounded in what is true and false, nor is it a normative argument that it advances unwanted values. Instead, Wallerstein stipulates that an ideology is a political response to a particular problem—it is a strategy for dealing with challenges and risks to what are seen as vital political and economic interests. Moreover, ideologies emerge at a particular period in time and, Wallerstein suggests, may vanish in the future. He writes: "An ideology is more than a set of ideas or theories. It is more than a moral commitment or worldview. It is a coherent strategy in the social arena from which one can draw quite specific political conclusions" (Wallerstein 2004, 60). And: "Ideologies are political metastrategies, and as such are required only in a world where political change is considered normal and not aberrant" (Wallerstein 2011, 1).

Thus, ideologies function in a specific political environment, one in which political change is a possibility and where vital interests are at stake for competing groups. Wallerstein is therefore arguing that change as a normal fact of political life appears on the historical stage at a particular moment and that ideologies make their appearance at the same time. Two questions naturally follow: When do ideologies and the normality of political change appear? And, what is the problem to which liberalism in particular is the strategic answer?

The answer to the first question is the tumultuous events of the French Revolution in 1789 and the period of Napoleonic rule that followed. Wallerstein argues that this period introduced an entirely novel idea into the political sphere, namely, that "the people" are sovereign. This notion

overturned, he claims, an unquestioned assumption that sovereignty rests in the person of a monarch. The entirely new thought that the people as a whole have sovereignty is at once a new political claim and direct evidence that assumptions, like kings, can be overthrown. Once the thought that things can change has been introduced the question of how they can change, who will control that change and whose interests are served by change becomes the new political reality after 1789.

It is in this context that liberalism as an ideology is born. Of course, liberal ideas, what we think of as liberal political philosophy, are much older than the French Revolution. While Wallerstein is not directly concerned with the validity of liberal ideas as such, they do play a role in explaining the contradictions and paradoxes that he alleges signal the end of liberal hegemony beginning in the late twentieth century. I will examine these concerns in later sections. For now, liberalism is an answer to a problem posed by the drama of 1789. However, liberalism as an ideology is not the first ideology on the scene in the aftermath of the French Revolution. The first ideology is conservatism, which, predictably, responds to the political problem posed by the idea of popular sovereignty by advocating for a return to the status quo ante. The problem is resolved by putting the genie back in the bottle. The underlying question for conservatism and also, later, for liberalism is: What are the proper sources of authority and legitimacy? For conservatism those are the traditional institutions of monarchy, church and the layers of customary hierarchical social authority. The French Revolution challenged the assumption that these institutions had a natural and God-given right to rule and structure society. Thus, the first response to the problem posed by the idea of a people having sovereignty is an ideology whose strategy is to reverse the changes and restore legitimacy to traditional institutions. Wallerstein (2011, 3) writes that:

> Conservative ideology was thus "reactionary" in the simple sense that it was a reaction to the coming of what we think of as modernity, and set itself the objective either of reversing the situation entirely (the hard version) or of limiting the damage and holding back as long as possible the changes that were coming (the more sophisticated version).

As this quotation promises, the conservative response to the new normality of political change moves beyond mere nostalgia for the past to a version that is both "attuned to the normality of change" but still holds out against the tide of modernity. However, at the beginning of this story, conservatism is the first response and liberalism emerges as a "counter-ideology." One might imagine that liberalism would play the ideological role of embracing the progressive lessons of the French Revolution and advocating for democratic and radical

values that are contained in the ideas of liberty, equality and fraternity. But, Wallerstein argues, liberalism pays merely lip service to these values. Another ideology, one that stands counter to both liberalism and conservatism, takes up the truly revolutionary ideals of 1789, namely, socialism or radicalism. However, we must wait more than fifty years to the 1848 revolutions before radicalism fully emerges on the historical scene. Why then is liberalism not the true inheritor of the values of the French Revolution? What factor makes the liberal solution to the dilemma of modernity—how to respond to the newly legitimated claim for popular sovereignty—one that is neither conservative nor radical?

To answer this question it is necessary to introduce a further element in the story—capitalism. For Wallerstein, liberalism as ideology is an attempt to address the problem of modernity in alliance with the interests of the capitalist class. However, it should be immediately evident that political power in the hands of the people is counter to the interests of capitalism, defined by Wallerstein as the "endless accumulation of capital" (2004, 2). Such accumulation requires a compliant and needful "people," and, importantly, political power to be exercised in conformity to its long-term interests. Liberalism as ideology thus functions to *manage* the demand for popular sovereignty, the demand for the true realization of the promise of freedom and equality, so that capitalism can continue its task of accumulation. The modern world-economy is capitalist and the modern world-system is an integrated political and economic structure. Liberalism emerges as an ideology that serves and sustains this system for a period of almost two hundred years. In several texts Wallerstein explains how liberalism achieves this, as well as to counter and sometimes absorb the competing conservative and radical ideologies. We can now turn to this account.

Wallerstein maps the progress and eventual decline of liberal ideology through a number of revolutions, in particular, the revolutions of 1830, 1848, the Paris Commune following the defeat of France in the Franco-Prussian war of 1870, the revolution of 1968 and the collapse of the Soviet Union in 1989. Of particular note is 1848 since it both entrenched liberal ideology as the standard ideological stance for European powers and marked the rise of a socialist/radical ideology as a serious political contender for state power. As a consequence of this rise, conservatives found themselves allied to and indeed sometimes the instruments of liberal purposes. For conservatives, liberal slow play was preferable to the demands of radicals to make good on the promises of 1789. Wallerstein thus writes of liberal-conservatives as the main force for reformism in the nineteenth century. Indeed, often it was conservative political parties that enacted the gradualist reforms that kept in check the demands of those who were the victims rather than the beneficiaries of

the capitalist world-economy. Wallerstein (1995, 97) thus makes a distinction between "Liberals" and "liberals," the former being the name of politicians and parties and the latter the name of the ideology. Indeed, after some time, not only conservatives but also socialists became aligned with liberal purposes creating what Wallerstein (1995, 107) describes as a "trimodal model of ideology." Thus, we get the idea of centrist liberalism—one that absorbs the conservatives and socialists on either side. Centrist liberal politics would dominate until, according to Wallerstein, being fatally challenged by what he calls antisystemic movements beginning with the revolution of 1968 and culminating in the fall of the Berlin Wall in 1989.

Liberalism is the ideology of what Wallerstein calls a geoculture—that is, a set of local, regional, national and global discourses that shape and determine what is and what is not politically legitimate. The creation of this geoculture begins, as I have noted, as a counter-ideological response to conservatism. This response is directed traditionally at the center of political power, which is the state, for it is the state that has the power to enhance and retard both the spread of geoculture and the spread and efficiency of capitalist accumulation. According to Wallerstein, it is liberal ideology's domination of the state that has enabled it to answer the problem set by the French Revolution. Liberalism became the "ideological cement of the capitalist world-economy" (Wallerstein 1995, 93).

What then could liberal ideology do with state power that conformed to the need for the capitalist mode of production? Wallerstein poses the question in terms of what he calls the problem of the "dangerous classes" (2011, 132). These classes are composed of those individuals whose labor is necessary for the production of surplus value that the capitalist system accumulates endlessly and who may make a claim to popular sovereignty. Wallerstein is insistent that he has in mind not only the labor of the urban proletariat, the dangerous class that Marx and his followers assigned a uniquely revolutionary role to, but also the many forms of nonindustrial labor that contribute to the extraction of surplus value. The members of these classes are dangerous because they threaten the capitalist system with their demand for a greater share of surplus value and their demand for political power, legitimated by the idea of popular sovereignty and democracy.

Unlike conservatism, liberalism seeks not to directly challenge the idea of popular sovereignty but rather to contain and restrain the demands of the dangerous classes, allowing for as much reform and as many concessions as needed to allow capitalism to grow both within the nation-state and to spread globally. This policy of de facto containment, accompanied by a geoculture that espoused but did not enshrine the universal values of freedom and equality, protected capitalism from its many enemies.

Wallerstein writes at length about the ways in which the liberal state, initially in Great Britain and in France, worked to introduce reforms to alleviate the consequences of rapid industrialization and the expansion of the capitalist mode and relations of production into all aspects of life. The tightrope liberalism walked required that the promise of popular sovereignty be offered without actually delivering on that promise. Once in control of the state, the liberal program had three main elements—firstly, the gradual extension of the right to vote; secondly, workplace protections and healthcare and finally, fabricating the myth of national identity (Wallerstein 2004, 65). What this program meant in practice though was a centuries-long struggle to extend the vote, for example in Britain, first to middle-class men in 1830, then to some working-class men in 1867, then to all men and some women in 1918 and finally to all men and women (over the age of 21) in 1928. The notable point that Wallerstein wants to make is that rather than this being a record of a liberal struggle for the extension of voting rights, it marks rather a struggle against extending such rights until forced and required to by the political activism of the excluded that threatened the stability of the world-system and more importantly the viability of the capitalist world-economy. It should be pointed out that while the focus has been on how liberal ideology manifested in the core nations of Great Britain and France, in line with WSA, these events can only be understood in the context of an interstate system that functions in an interlocking manner. For example, the fact that the working classes of Europe achieved the right to vote in the late nineteenth century was also when these classes had been absorbed into a global system in which they stood in a position of privilege against the dangerous classes in the colonies and elsewhere. These classes constituted a labor aristocracy whose members had been inducted into the mythology of the nation and had acquired the status and identity of citizen of a "civilized" nation. These classes were no longer as dangerous as they once were.

A very useful way Wallerstein understands the dynamic at work in the long historical process of liberal reformism is by the binary of inclusion and exclusion. He pays close attention to the idea of citizenship that was transformed in the French Revolution from something only a privileged few had to something one had merely as a consequence of being French. He describes citizenship as the "conceptual bedrock of the liberal state" (Wallerstein 2011, 144). The designation of universal citizenship made dangerously real the promise of political equality. Citizenship thus offered the prize of inclusion, but immediately the question became about exclusion. Who was qualified to be a citizen, a full participant in the political affairs of the state—all men, regardless of their education? Women? And so began a long history of convoluted hypocrisy in which the universalistic inclusive demands of liberty, equality and freedom

were professed, whereas the political reality was one of multiple exclusions on the fabricated grounds of a lack of education (for working-class men), lack of civilization (for the colonized) and lack of rationality (for women). At least some of these lacks promised a remedy—more education, eventual civilization—but conveniently these possibilities lay in the distant future. A telling example Wallerstein offers of the lengths to which liberals needed to go to marry their rhetorical commitments to their actual political practice happens right at the beginning of the French Revolution when, faced with the possibility of genuine political equality, the revolutionaries were forced to make a distinction between "active" and "passive" citizens (Wallerstein 2011, 145). Therefore, at the birth of the very idea of inclusive citizenship the immediate response was to create a binary that excludes. This response became a template for exclusion under the cover of the language of inclusion. Wallerstein writes:

> The concept of citizen forced the crystallization and rigidification—both intellectual and legal—of a long list of binary distinctions that then came to form the cultural underpinnings of the capitalist world-economy in the nineteenth and twentieth centuries: bourgeois and proletariat, man and woman, adult and minor, breadwinner and housewife, majority and minority, White and Black, European and non-European, educated and ignorant, skilled and unskilled, specialist and amateur, scientist and layman, high-culture and low-culture, heterosexual and homosexual, normal and abnormal, able-bodied and disabled, and of course the Ur-category that all these others imply—civilized and barbarian. (Wallerstein 2011, 146)

And so the world-system developed over the centuries that followed 1789. In the core states, capitalist economic power developed, feeding from the semi-periphery and periphery states, with the geoculture of liberalism at its center. This expansion of capitalism from the core outwards depended on processes such as colonialism in the nineteenth and early twentieth century with the European powers enjoying a hegemonic status. This ensured the flow of surplus value from the periphery to the core, thereby reinforcing the existing relations of domination and subordination. We have already seen how, within the core states, the antisystemic movements, such as trade unions and feminist movements, were tamed by a process of containment and reform, and how these organizations were enfolded within the mythology of the nation—for example, supporting the nationalist wars and colonial policies of their governments. An important change occurs after the First World War when the United States begins its path to eventual global hegemony and which marks an important shift in liberal ideology.

Wallerstein details what he describes as Wilsonian liberalism, which called for the self-determination of all peoples and the establishment of global institutions to assist the poor (Wallerstein 1995, 103). Wilson and following him, Roosevelt took seriously the logic of liberal ideology, and cutting through the binaries that protected the hypocrisy of the European colonial powers, applied liberal universalism to colonial peoples and thus supported their claims to self-determination. This amounted to the extension of the liberal national program to the entire globe and made liberalism not just the ideology of the liberal states but a world ideology. Naturally, this support suited the needs of American capitalist enterprises that were seeking access to new markets and new resources. However, this shift in the geoculture, brought on by a new hegemon, would have consequences that would help erode the foundations of liberal ideology.

The many binaries that protected liberals from what should strictly follow from their professed ideology, and which Wallerstein articulated so exhaustively in the quotation earlier in this chapter, depended for their plausibility on the binding power of national myth. Acquiring the identity of an Englishman, or Frenchman, made the inequalities and subordinations of the capitalist world order palatable to those located in the core nation-states. However, in the world as a whole, there was no binding power equivalent to a national mythology to make tolerable the inequalities that the capitalist economic system required for the continued flow North of the surplus value created in the South. The hypocrisy of the liberal world order was clear to all in the South, argues Wallerstein, and the demands for freedom and self-determination of the colonialized peoples became an irresistible force following the end of the Second World War. These demands were for inclusion as politically sovereign agents and for a greater share of the surplus value generated by their labor. However, once the promise of worldwide Wilsonian liberalism showed itself to be another disguise beneath which lurked the voracious needs of capitalism, then the jig was up, so to speak.

The End of Liberalism

Wallerstein's remarkable claim that the collapse of the Berlin Wall signaled not the triumph of liberalism and capitalism but the beginning of their demise requires careful analysis. This claim rests not on speculative contrariness, but follows directly from the historical and analytical understanding offered by WSA. By the time the first stone was chipped from the wall that separated East from West Berlin, the crisis of both liberal ideology and the capitalist world-economy was, according to Wallerstein, already terminal. In this section I will trace the origins of the crisis and the events that mark its progress.

We have already noted the "antinomies" that are fundamental to liberalism as an ideology. It can only achieve its ideological purpose—to solve the conundrum of modernity—by both promising inclusion but always postponing the moment of political sovereignty that would be its accomplishment. This promise is extended to the dangerous classes, those who need to be excluded for the efficiency of the capitalist system to be maintained. What liberalism offered these classes was hope—the hope that through struggle eventually the promised inclusion will be delivered. For Wallerstein, it is the realization that liberal hope is a promise not meant to be kept, alongside a deep and terminal structural crisis in capitalism, that marks the end of the liberal era.

Conservative and socialist/radical ideologies first opposed liberal ideology, but conservatives and later even socialists absorbed the essential elements of liberalism into their own political programs. Both used the power of the state to further their ideological aims. This meshing of ideologies makes all those who held state power in the period between 1789 and 1989 into some version of a liberal—a liberal-conservative or a liberal-socialist. Even the communist powers, Marxist-Leninist or Maoist, reenact the class divisions, industrialization and accumulation of surplus value that define the geoculture of liberalism and the economic imperatives of capitalism. In the end, for Wallerstein, it is liberalism all the way down. The story of the liberal era is thus one of aggressive capitalist expansion across the globe and piecemeal reforms to stave off the demands for inclusion from marginalized and exploited groups.

In this context, Wallerstein turns his attention to those who opposed the liberal world order—those who engaged in a struggle against the world-system. These he calls the antisystemic groups and among these are included trade unions, feminist movements, peasant revolutionaries, those struggling for racial justice, those engaged in anticolonial struggles and campaigns of ethnic self-determination. While Marxist radicals privileged the urban proletariat as the singular revolutionary actor in history, Wallerstein sees antisystemic movements as composed of a wide variety of actors, none of which is historically privileged. What they have in common is their exclusion from popular sovereignty and their exclusion from a significant share of the surplus value created by the capitalist world-system. The participants of these movements are thus politically oppressed and economically exploited.

Wallerstein traces their struggles and successes—the political reforms they wrest from the liberal state and the economic gains they extract from the capitalist class. Some of these successes are significant. The extension of voting rights we have already mentioned, but we can also mention protections of workers' welfare, as well as politically imposed limitations on the extent of exploitation of workers, such as limitations on the working day. Additionally,

there was the safety net of the welfare state that secured a semblance of a decent life for many. However, most of these gains were limited to the nations at the core of the world-economy. In the periphery the struggles were for national and ethnic self-determination. Significant successes were achieved here too following the two world wars of the twentieth century when many were freed from colonial domination.

Nonetheless, Wallerstein points to what he describes as a paradox when assessing the successes and accomplishments of the antisystemic groups. While they struggle against the system that dominates and exploits them, they also buy into the ideological promise of liberal hope. One might say these movements took seriously the promise of liberal ideology and in doing so helped cement in place the very conditions that they opposed. This, then, is the paradox that Wallerstein thinks is essential to understanding how liberal ideology remained so dominant. On the one hand, as we saw earlier, antisystemic groups in the core states were turned against those movements challenging liberalism and capitalism in the periphery, becoming absorbed into a system of domination and exploitation. And, in the periphery, the antisystemic movements worked with the vocabulary of the liberal geoculture, seeking freedom and equality through their struggles, believing that these could be achieved within the liberal and capitalist world order.

Liberalism and capitalism together are historical, that is, particular systems in time and space and so, as Wallerstein remarks, they "have lives." The beginning of the end of the life of liberalism is 1968. He assigns the global unrest that erupted in 1968 as the historical marker signifying the moment that the antisystemic movements gave up on liberal hope and ceased to believe that the promises of freedom and equality could be achieved within the existing economic and political world-system. Prior to this, the liberal worldview had legitimacy grounded in its gradualist reforms and the hope that it held out to those excluded from the system of their eventual inclusion. After 1968 this hope no longer kept in check the dangerous classes, and so the legitimacy of liberal control of the state and global institutions evaporated: "This world revolution marked the end of liberal supremacy, thereby dislocating the geoculture that had kept the political institutions of the world-system intact" (Wallerstein 2004, 77). Furthermore, and crucially, the dissatisfaction that was expressed during, and subsequent to, 1968 was directed also against the antisystemic movements themselves. Wallerstein writes: "It was the combination of long-standing anger about the workings of the world-system and disappointment in the capacity of the antisystemic movements to transform the world that led to the world revolution of 1968" (2004, 84).

Not only was US hegemonic power as the global representative of liberal ideology and the traditional antisystemic movements, trade unions and

left political parties the object of anger, but also the Soviet Union, which Wallerstein argues was seen to "collude" with the Western powers in stabilizing and perpetuating the global status quo. The world-system established following the French Revolution was therefore entering into a crisis of legitimation:

> No longer would oppressed people be sure that history was on their side. No longer could they therefore be satisfied with creeping improvements, in the belief that these would see fruition in the lives of their children and grandchildren. No longer could they be persuaded to postpone present complaints in the name of a beneficent future. (Wallerstein 2004, 84)

The crisis for liberal ideology concerned not only political legitimacy. Simultaneously there occurred a deep crisis for the capitalist world-economy. As we should expect with WSA, the political, the economic and the social are always implicated together in events. Wallerstein's account of liberalism is at the same time an account of capitalism—they are coevolving and mutually dependent categories of analysis. The crisis of one is also the crisis of the other. The dissolution of one signals the dissolution of the other. To illustrate this, I want to briefly cover Wallerstein's account of the economic crisis which forms the background to the period 1968–89 and which is the period of liberalism's dethronement. I will then couple this with his critique of the liberal discourse on human rights. Together, these topics give a concrete example of Wallerstein's understanding of what he describes as the "agonies of liberalism" (Wallerstein 1995).

The crisis of capitalism beginning in the late 1960s is to be understood firstly as originating in the fundamental contradictions of capitalism that have always occasioned periodic economic upheavals but, secondly, as different insofar as the usual remedies to resolve the crisis cease to be available. The crisis is thus systemic in nature and, argues Wallerstein, unresolvable in practice. This means that "the system encounters problems it can no longer resolve and this causes what we might call systematic crisis" (Wallerstein 2004, 76). What are these problems?

The root of the problem is one that Marx elaborated long ago as the source of the contradictions that plague the capitalist mode of production, namely, the falling rate of profit. However, the methods of addressing this problem in the past—the stimulation of demand, and the offsetting of costs by firms onto society—are no longer effective. There are two main causes of this new situation. Firstly, there are fewer and fewer opportunities to outsource production to low-wage periphery countries and so the rising cost of wages squeezes the margin of surplus value available. Secondly, other costs of production

are also increasing. The availability of raw materials has diminished as the world's resources are consumed by capitalism's needs and so their cost is rising. There is less and less tolerance of firms externalizing the real costs of their production in the form of pollution and destruction of the environment, and these costs will have to be borne by the firms themselves. The costs of the infrastructure required to keep the capitalist machine humming have likewise increased. And, finally, the levels of taxation needed to maintain the welfare net that keeps in check the inevitable class conflict in a capitalist system have also risen. Wallerstein considers these factors in detail and shows how capitalism is locked in an inescapable dilemma (Wallerstein 2004, 76 ff.). The rising costs of production and the corresponding decrease in the level of available profit are not problems that ultimately can be solved. The only real avenue for maintaining profit is to further diminish the share of surplus value that goes to consumers (in the form of lower wages, higher taxation and reduced welfare) but this has the effect of reducing demand for goods, further reducing levels of profit. Capitalism is thus eventually "cornered by its own logic" (Wallerstein 1995, 160), and Wallerstein sees this self-destructive logic playing itself out over a number of decades until we come to live in a postcapitalist world.

We have already looked at the political crisis that accompanies the economic upheaval just described in some detail. However, it is useful to look at a more concrete example of the failure of liberalism to fulfill its promises. Human rights are by their nature universal. Indeed, the very phrase signals the universality of rights on offer. Wallerstein asks, "Within the framework of triumphant liberal ideology, what are human rights and from where are they supposed to come?" (Wallerstein 1995, 149). While philosophical and legal answers to this question abound, ultimately for Wallerstein the real answers are political ones. The real question concerning human rights for liberalism was about exclusion and the difficulty this presented has a familiar answer:

> This answer meant in practice limiting the group who could exercise their human rights to *some* of the people as well as limiting the peoples who could exercise sovereignty at all *even more strictly*. Since, however in the logic of liberalism, the rights were theoretically universal, the restrictions had to be justified on convoluted grounds and speciously. (Wallerstein 1995, 154)

We have seen how the exclusions liberalism relied on rested on binaries, in particular binaries that were racist and sexist. After the First World War, instead of awaiting the promise of sovereignty in the future, new movements emerged that demanded the rights that liberals professed belonged to everyone in virtue of their humanity. These demands were made on the basis of

identities and status groups and no longer within the liberal political architecture constructed over centuries that privileged the role of political parties and trade unions. The consequence of this shift was, and indeed still is, dramatic, as Wallerstein shows:

> The world revolution of 1968 did not dismantle the world-system. Far from it. But it did dislodge liberalism from its place as the defining ideology of the world-system. Both conservatism and radicalism moved away from the liberal center, more or less back to their topographical location of the first half of the nineteenth century. And this thereby upset the delicate balance that liberalism had sought to establish in limiting the revolutionary implications of both human rights and the rights of peoples. (Wallerstein 1995, 157–58)

The squeeze on profits and the demand for rights from outside the liberal framework represent systemic economic and political crises in the liberal world order. Wallerstein's argument is that there is no solution to either crisis from within the liberal and capitalist system. He says: "True crises are those difficulties that *cannot* be resolved from within the framework of the system, but instead can be overcome only by going outside of and beyond the historical system of which the difficulties are a part" (Wallerstein 2004, 76). He describes this as a moment of bifurcation when historical actors are called on to make a choice between future paths and thereby make decisions that will result in a new world-system, one that is no longer liberal or capitalist in character. It is to this non-liberal future that we should turn.

Beyond Liberalism

Wallerstein sets out the consequences for the liberal world-system of 1968 that are worth reviewing here as a preface to discussing his vision of what lies beyond liberalism as well as his thoughts about an "alternative strategy" to achieve a democratic rather than an autocratic future.

In the first place, the idea that the first revolutionary task is to capture the state and only then to usher in an alternative world order becomes a "doubtful proposition" (Wallerstein 1995, 214). The "two-stage" strategy falls victim, it seems, to the evidence that state power, whether in the hands of liberals, conservatives or indeed socialists in communist states, never in fact leads to revolutionary outcomes. The state is a tool to maintain the status quo rather than an instrument of transformation. Second, the idea that political parties are the best vehicles to organize opposition to the liberal world-system has likewise been shown to be ineffective. This conclusion leads to the third consequence, namely, that revolutionary politics is not centered on

the conflict between labor and capital, overturning the entrenched Marxist view of history. Thus, the view that "conflicts based on gender, race, ethnicity, sexuality, etc. are all secondary, derived, or atavistic [...] no longer has wide credence" (Wallerstein 1995, 215). Fourth, Wallerstein is keen to distinguish between liberalism and "bourgeois democracy" because he wants to reserve the idea of democracy for the radical side of the political agenda. A consequence of 1968 is, he claims, the realization that democracy may be a "profoundly anti-capitalist and revolutionary idea" (Wallerstein 1995, 215). Fifth, Wallerstein credits the aftermath of 1968 with the beginning of the idea that increased productivity, rather than being a necessary prerequisite to revolution as Marx thought, is rather a danger to the sustainability of Earth's environment. Finally, Wallerstein notes an increase in skepticism concerning science and its authority.

These shifts in the outlook of the antisystemic movements signaled the moment of bifurcation discussed earlier. Wallerstein's WSA, in conformity with its broadly Marxist roots, hides its normativity beneath what, to a naïve reader, appears as historical description and objective analysis. However, Wallerstein, in a rare moment of clarity, does move explicitly into the normative realm to make clear on which side of the bifurcation he stands, and what strategies the left ought to adopt to make for a "better world-system" (Wallerstein 1995, 217). These strategies are aimed at reinforcing and amplifying the terminal systemic crises faced by liberalism and capitalism. Firstly, he argues that workers should seek a greater and greater share of surplus value so as to "shake the patterns of accumulation of capital" (Wallerstein 1995, 217). Secondly, in line with his idea that genuine democracy is an alien concept to liberal ideology, it would be strategic to push for more and more democracy. Thirdly, Wallerstein argues that what is needed is a "new universalism." By this he presumably means not the insincere universalism espoused by liberalism, which he says is founded on the "atomic individual." He is skeptical of what he calls "smaller particularisms" and instead calls for a universalism that reflects Léopold Senghor's phrase "rendez-vous de donner et de recevoir" ("It is here that giving and receiving meet"). Finally, addressing the state, he argues for using state power tactically while ceasing to be "terrified of the political breakdown of the system" (Wallerstein 1995, 218).

Wallerstein suggests "overloading the system" by taking seriously liberal universalism, that is, demanding that liberal promises be fulfilled. One example he offers in several places is to support and insist on the rights of migrants and support the free flow of people across the globe (Wallerstein 1995, 270). He concludes this discussion of strategies that reject those of what he calls the "old left" and which oppose both liberalism and the authoritarian right with the following call:

> We must in short, become practical, consequential, constant workers in the vineyard, discussing our utopias, and pushing forward. As the present world-system crashes down upon us in the next fifty years, we must have a substantive alternative to offer that is a collective creation. Only then will we have a chance of obtaining a Gramscian hegemony in world civil society, and thereby a chance of winning the struggle against those who are seeking to change everything in order to change nothing. (Wallerstein 1995, 218)

This then is the program of struggle that Wallerstein suggests as a response to the collapse of modern liberalism. He also ventures some predictions about the world in which this struggle takes place—a world going past but not quite past liberalism. It is not an inviting vision and one that readers will reluctantly recognize as familiar in many ways. He describes a world of weakened states whose legitimacy can no longer be assumed. He predicts an interstate system that is also severely weakened with organizations such as the United Nations less and less able to carry out their functions. As a consequence of these first two features, he sees people resorting to groups for protection and as a source of identity and belonging, rather than looking to the state and their identity as citizens of a nation-state. He foresees more wars and more conflict between states and between groups as the interstate system loses authority. And in a final and particularly prescient prediction, he sees the possibility of a pandemic (a "new Black Death") and the chaotic consequences it would have for states and the international order.

It is in the nature of systems thinking that it claims to make the future intelligible. After all, knowing how the past and present are structured draws in the future so that it can be seen as either a continuation or a disruption of the past. Depending on one's point of view, this is either a strength or a weakness of accounts such as Wallerstein's. What is clear though is that the liberal state and the liberal world order developed after the Second World War have suffered a significant loss of legitimacy, and the rise of authoritarian regimes alongside political struggles waged by groups organized by identity and status is the reality of our present world. The extent to which Wallerstein's work helps us understand this new situation and helps us anticipate the disruptions occasioned by liberalism's agonies is a significant merit of his analysis of modern society.

Reflections and Questions

Wallerstein's WSA is a powerful tool for explaining the great tide of history. The preceding exposition of the place of liberalism in this analysis is evidence of how far-reaching his explanations stretch. On the one hand, this is what would be expected from an approach that claims to be systematic, and thus has the widest possible scope of explanation. On the other hand, one might be wary of an approach that fits the hustle of history and the mysteries of the economic world into a single grand narrative stretching over hundreds of years. This, however, may be a matter of taste. Wallerstein's intellectual starting point and the influences on his work are all themselves very broad in their aims, and so he is part of a tradition and the appeal of his work will be most keenly felt by those drawn to that tradition.

I want to focus on a few questions that arise directly out of his views on liberalism. The first question concerns the definition of liberal ideology. The definition is functionalist insofar as Wallerstein defines ideology as a meta-strategy to respond to the problem posed by the new definition of sovereignty that was presented by the French Revolution. Liberal ideology then is a particular meta-strategy, as we saw earlier in this chapter. The difficulty here is that whatsoever fulfills the functional purpose assigned to liberalism is thereby, by definition, liberal. This leads to a situation in which politicians, political parties and regimes are called liberal regardless of either what they call themselves or their own understanding of their aims. Indeed, it turns out that self-described conservative politicians are more enthusiastic and efficient at realizing the aims of liberal ideology than are the "timid" liberals themselves. Wallerstein does not avoid this consequence—creating hybrids of liberal-conservative and even liberal-socialist. Wallerstein makes a distinction between "Liberals" and "liberals" to mark the difference between politicians, parties and regimes that call themselves Liberal versus those that pursue a liberal program. Even communist regimes are described by Wallerstein as "avatars" of liberal ideology. When it is liberals, like turtles, all the way down, it becomes questionable whether the term retains a useful explanatory role. If one keeps firmly in mind the functionalist style of definition employed by Wallerstein, and the very specific definitions he gives to both the terms, "liberal" and "ideology," then the coherence and cogency of the system is possibly retained. However, this is a far cry from what is generally understood by liberalism. Furthermore, one is led to ask how communist and authoritarian regimes, such as contemporary China and Russia, that surely fit with the ideological purposes of liberalism as understood by Wallerstein—to keep in check the "dangerous classes" and smooth the path of capitalist surplus value accumulation—could be at the same time liberal and also the vicious enemies of liberalism. These then are atavistic "liberal" regimes that assassinate and imprison people for the mildest forms of liberal advocacy. Doubtless, there are ways in which WSA can account for these seeming aberrations and contradictions, but these difficulties demand an answer.

A second question concerns what Wallerstein advocates as a response to the systemic crisis of liberalism and capitalism. It is perhaps a little unfair to say that what Wallerstein is advocating as a tactic in the passage from the liberal world order to a new world order is, essentially, more liberalism. Yes, this would be a "sincere liberalism" that holds liberal regimes to their promises, but it is hard to see how advocating for the human rights of migrants is not being a liberal. Perhaps a further distinction is in order between sincere and insincere liberals but, firstly, who is to say who is really being sincere and who not, and secondly, the point of a systems analysis is to not rest historical and political claims on speculations concerning the psychological states of individual actors. It is true that Wallerstein argues for more democracy and makes clear that he is here not referring to liberal democracy. He thinks of democracy as a radical and decidedly non-liberal alternative to the pale version of democracy common in the West. However, populist democracy seems in today's world more of a friend of the right than it does of the left. If Wallerstein has in mind democracy along the lines of the example of the Paris Commune, then it seems an impractical tactic in the world we now live in. Finally, Wallerstein is alert to the dangers of particularism and its appeal to the right, but has also condemned throughout his work the false universalism of liberalism. Wallerstein calls for a "new universalism." We should ask though, what might this look like? How would it be different from the many varieties of universalism already proposed by liberalism?

Perhaps it is unfair to level these criticisms at Wallerstein given his work is mostly devoted to a diagnosis of our current condition and how we arrived here, rather than a blueprint of how we can get past our present predicament. And, further, it is understandable that Wallerstein himself is bound by the liberal horizon his work unveils, and so it is churlish to expect him to see far forward into the non-liberal future. Nonetheless, readers fired up by his critique of liberalism are likely to want more than liberalism made sincere.

My third question concerns the experience of reading Wallerstein. It may leave some readers, particularly those who are sympathetic to his approach with a sense of what we might call a Kantian reversal. As readers will recall, Kant famously argued that the empirical world was ordered not by "nature" but by our own categories of perception and understanding. What appeared "out there" was in fact a result of our own cognitive structures. The history Wallerstein describes is the history of radical thought and its major historical markers (1789, 1830, 1848, etc.), and therefore one might have the sense that what is being described is less what actually happened than a highly elaborate and detailed articulation of the schema of radical thinking from its inception to now. Indeed, the recognition and familiarity one has with his grand narrative and the sense of having *everything* explained, with events neatly parceled

into their historical boxes, might leave someone with the idea that their own thought schema has been reproduced on paper. Of course, there is no way of telling apart this circumstance from its opposite, namely that Wallerstein's WSA really does describe our collective history. Since this is the case, it perhaps doesn't really matter which circumstance is "really true."

Conclusion

Liberalism is nobody's friend and, seemingly, everyone's enemy in these days of late capitalism. As Wallerstein (1995) states, liberalism is a "rubbery" concept and so it is difficult to pin down and to pin on to people. His work has the virtue of giving precision to the term and giving considerable substance to the left's critique of liberalism. If liberalism is what he says it is, then it is deserving of this critique and Wallerstein does us the service of exposing the reality behind the veil. It gives us the analytical tools and the historical context to understand a hegemonic ideological formation that, beginning in the eighteenth century and flowering in the nineteenth and early twentieth century, hastened the global expansion of capitalist modes and relations of production, with its attendant inequalities and deprivations. The question remains whether this ideological formation is all and only what liberalism is or can be.

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